

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7230

BILL NUMBER: HB 1542

NOTE PREPARED: Jan 5, 2011

BILL AMENDED:

SUBJECT: Public Work Projects.

FIRST AUTHOR: Rep. Speedy

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill authorizes a board to enter into a construction management at risk agreement for a public work project for which the cost will be at least \$25,000,000.

Effective Date: July 1, 2011.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The process provided by IC 36-1-12-4 for awarding a public works contract would not apply to public works projects embarked by local units as described above. Public works board plans, formal bidding, publishing a request for bids in local newspapers (which is ten weeks for a project costing more than \$25 M), and other requirements described under the existing code would not have to be accomplished to award the contract for an agreement described in the bill.

It is possible that bypassing some of these requirements could save expenditures related to plan preparation and publishing bid requests. The potential savings is unknown and would depend on local action.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: All.

Information Sources:

Fiscal Analyst: Chris Baker, 317-232-9851.